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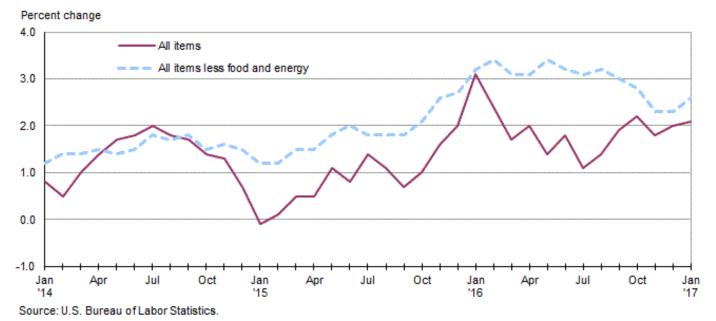
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Consumer Price Index, Los Angeles area — January 2017 Area prices were up 0.9 percent over the past month, up 2.1 percent from a year ago

Prices in the Los Angeles area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), advanced 0.9 percent in January, the U.S. Bureau of Labor Statistics reported today. (See table A.) Assistant Commissioner for Regional Operations Richard Holden noted that the January increase was influenced by higher prices for shelter and gasoline. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U advanced 2.1 percent. (See chart 1 and table A.) Energy prices decreased 0.7 percent, largely the result of a decrease in the price of gasoline. The index for all items less food and energy increased 2.6 percent over the year. (See table 1.)

Chart 1. Over-the-year percent change in CPI-U, Los Angeles, January 2014-January 2017



Food

Food prices advanced 0.5 percent for the month of January. (See table 1.) Prices for food at home increased 0.6 percent, and prices for food away from home moved up 0.4 percent for the same period.

Over the year, food prices advanced 0.5 percent. Prices for food away from home increased 2.6 percent since a year ago, but prices for at home decreased 1.2 percent.

Energy

The energy index rose 1.0 percent over the month. The increase was mainly due to higher prices for gasoline (4.4 percent). Prices for electricity decreased 3.6 percent, and prices for natural gas service declined 2.0 percent for the same period.

Energy prices decreased 0.7 percent over the year, largely due to lower prices for gasoline (-2.7 percent). Prices paid for natural gas service increased 6.7 percent, and prices for electricity rose 0.3 percent during the past year.

All items less food and energy

The index for all items less food and energy advanced 0.9 percent in January. Higher prices for apparel (1.9 percent), recreation (1.6 percent), and shelter (0.9 percent) were partially offset by lower prices for education and communication (-0.3 percent).

Over the year, the index for all items less food and energy increased 2.6 percent. Components contributing to the increase included shelter (5.2 percent) and medical care (4.7 percent). Partly offsetting the increases were price declines in education and communication (-3.7 percent), apparel (-3.0 percent), and recreation (-2.5 percent).

Table A. Los Angeles-Riverside-Orange County CPI-U monthly and annual percent changes (not seasonally adjusted)

Month	2012		2013		2014		2015		2016		2017	
	Monthly	Annual										
January	0.8	2.1	0.8	2.0	0.5	0.8	-0.3	-0.1	0.7	3.1	0.9	2.1
February	0.5	2.1	0.7	2.2	0.5	0.5	0.7	0.1	0.0	2.4		
March	1.0	2.0	0.1	1.3	0.6	1.0	1.0	0.5	0.3	1.7		
April	0.0	1.5	-0.4	0.9	0.0	1.4	-0.1	0.5	0.2	2.0		
May	0.1	1.6	0.1	1.0	0.4	1.7	1.0	1.1	0.5	1.4		
June	-0.4	1.6	-0.1	1.4	0.1	1.8	-0.3	0.8	0.1	1.8		
July	-0.1	1.9	-0.1	1.3	0.1	2.0	0.7	1.4	0.0	1.1		
August	0.6	2.3	0.1	0.8	-0.1	1.8	-0.3	1.1	0.0	1.4		
September	0.4	2.2	0.2	0.6	0.0	1.7	-0.4	0.7	0.2	1.9		
October	0.8	3.0	0.1	-0.1	-0.1	1.4	0.2	1.0	0.4	2.2		
November	-1.0	2.1	-0.5	0.4	-0.7	1.3	0.0	1.6	-0.4	1.8		
December	-0.7	1.9	0.0	1.1	-0.5	0.7	-0.1	2.0	0.0	2.0		

The February 2017 Consumer Price Index for the Los Angeles-Riverside-Orange County is scheduled to be released on March 15, 2017.

Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 6,000 housing units and approximately 24,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/homch17 a.htm.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The Los Angeles-Riverside-Orange County, CA. metropolitan area covered in this release is comprised of Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties in the State of California.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Los Angeles-Riverside-Orange County, CA (1982-84=100 unless otherwise noted)

			1	Percent change from-			
	Nov. 2016	Dec. 2016	Jan. 2017	Jan. 2016	Nov. 2016	Dec. 2016	
Expenditure category							
All items	250.185	250.189	252.373	2.1	0.9	0.9	
All items (1967=100)	739.156	739.171	745.623	-	-		
Food and beverages	250.967	251.893	253.317	0.6	0.9	0.	
Food	250.881	251.864	253.236	0.5	0.9	0.	
Food at home	252.772	253.486	255.079	-1.2	0.9	0.	
Food away from home	244.783	246.083	247.162	2.6	1.0	0.	
Alcoholic beverages	237.315	237.363	239.443	2.2	0.9	0.	
Housing	281.400	282.416	284.696	4.6	1.2	0.	
Shelter	321.725	322.695	325.595	5.2	1.2	0.9	
Rent of primary residence(1)	338.473	339.426	341.115	5.1	0.8	0.	
Owners' equiv. rent of residences(1)(2).	334.484	335.733	337.597	5.1	0.9	0.0	
Owners' equiv. rent of primary residence(1)(2)	334.464	335.713	337.578	5.1	0.9	0.0	
Fuels and utilities	305.275	306.812	304.962	3.5	-0.1	-0.0	
Household energy	271.088	273.087	264.439	1.9	-2.5	-3.2	
Energy services(1)	269.989	271.625	262.860	1.8	-2.6	-3.2	
Electricity(1)	313.478	313.251	301.898	0.3	-3.7	-3.0	
Utility (piped) gas service(1)	217.163	223.261	218.858	6.7	0.8	-2.0	
Household furnishings and operations	114.632	115.531	117.101	0.0	2.2	1.4	
Apparel	106.406 190.463	103.972 188.577	105.915 192.435	-3.0 -0.1	-0.5 1.0	1.5 2.6	
Transportation Private transportation	185.474	184.208	187.851	0.1	1.0	2.0	
Motor fuel	215.875	208.577	217.767	-2.5	0.9	4.4	
Gasoline (all types)	211.089	203.866	212.880	-2.7	0.8	4.	
Gasoline, unleaded regular(3)	211.202	203.835	213.079	-2.8	0.9	4.	
Gasoline, unleaded midgrade(3)	203.589	197.041	203.958	-2.5	0.2	3.	
Gasoline, unleaded premium(3)	202.928	196.659	204.484	-2.1	0.8	4.	
Medical care	463.349	465.171	465.997	4.7	0.6	0.:	
Recreation(5)	105.287	104.464	106.123	-2.5	0.8	1.	
Education and communication(5)	142.028	141.694	141.298	-3.7	-0.5	-0.3	
Other goods and services	393.168	393.012	393.872	0.9	0.2	0.3	
Commodity and service group							
All items	250.185	250.189	252.373	2.1	0.9	0.0	
Commodities	172.272	171.787	173.767	-0.7	0.9	1.3	
Commodities less food & beverages	131.442	130.408	132.514	-1.7	0.8	1.0	
Nondurables less food & beverages	171.327	168.690	171.514	-1.8	0.1	1.	
Durables	92.350	92.900	94.301	-1.5	2.1	1.9	
Services	319.531	319.975	322.337	3.5	0.9	0.	
Special aggregate indexes							
All items less medical care	240.963	240.899	243.126	1.9	0.9	0.9	
All items less shelter	218.881	218.445	220.314	0.1	0.7	0.9	
Commodities less food	135.865	134.846	136.977	-1.5	0.8	1.0	
Nondurables	211.809	210.754	212.996	-0.5	0.6	1.	
Nondurables less food	177.226	174.689	177.515	-1.6	0.2	1.	
Services less rent of shelter(2)	325.359	325.036	326.645	1.2	0.4	0.	
Services less medical care services	307.194	307.526	309.984	3.4	0.9	0.8	
All items less energy	237.868 253.013	234.112 253.302	236.489 255.488	-0.7 2.3	-0.6 1.0	1. 0.	

Note: See footnotes at end of table.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Los Angeles-Riverside-Orange County, CA (1982-84=100 unless otherwise noted) - Continued

Item and Group		Indexes		Percent change from-			
	Nov. 2016	Dec. 2016	Jan. 2017	Jan. 2016	Nov. 2016	Dec. 2016	
All items less food and energy	253.711	253.882	256.209	2.6	1.0	0.9	

Footnotes(1) This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

- (2) Index is on a December 1982=100 base.
- (3) Special index based on a substantially smaller sample.
- (4) Indexes on a December 1993=100 base.
- (5) Indexes on a December 1997=100 base.
- Data not available

NOTE: Index applies to a month as a whole, not to any specific date.